c. Mr. Marceca's June 11, 1996 Grand Jury Testimony.

The very next day, in response to a series of questions before a federal grand jury, Mr. Marceca at one point narrated the Update Project process but omitted his review of the reports for derogatory information, returning instead to the misleading notion that he was looking only for <u>inconsistent</u> information. ¹⁴¹ In his narration of the Update Project, Mr. Marceca testified about his actions when there was no current SF-86:

I looked -- I had to read the file for the last date of investigation, and that would go on the folder. And the reason it would go on the folder is because the next person that followed behind me, within four or six months would have to pull that folder, get the SF-86 filled out -- the new SF-86 filled out -- from the person, and a new background -- a secret background investigation -- would be conducted.

So I put their date -- that was the purpose of putting their date on the file. That's -- that in total is the Update Project that I worked on. 142

When asked what he would do "if [he] were looking through a background investigation, and [he] saw information in there that [he] thought was significant," he responded that if he found

realized that Mr. Livingstone did not desire to remain as Director of OPS, and she thought that Mr. Marceca might take over the leadership job. <u>Id.</u> at 3. Ms. Dannenhauer confirmed that she considered it to be part of her responsibility to review FBI reports when she was the head of the OPS. Dannenhauer 5/6/97 Int. at 5.

 $^{^{141}}$ Marceca 6/11/96 GJ at 30-33.

 $^{^{142}}$ Marceca 6/11/96 GJ at 31 (emphasis supplied). This is an incomplete description of the Update Project, because it does not disclose that Mr. Marceca read each report for suitability, not just for the date of the previous background report.